Enterprise Central NB

Community Economic Development Agency

ANNUAL REPORT

ENTERPRISE CENTRAL NB

2002-2003

104-00346/

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1.0 PRESIDENT'S REPORT

Welcome ladies and gentleman, to what is the first annual meeting of Enterprise Central New Brunswick and the unveiling of our Strategic Plan, A dynamic path to economic well being for the businesses and the people of Central New Brunswick.

On August 20th of last year the 12 board members met for the first time to start what has become a very pleasant association of business communities from rural New Brunswick. With the strong support from Doug Motty and Wendy Gallant of Enterprise Fredericton, the board selected an Executive Committee, worked through incorporation, developed an understanding of our role and conducted interviews for our Executive Director.

In November John Flynn was hired and the process of hiring staff, setting up a new office and selecting a company to help us develop our first strategic plan got underway, while trying to conduct the day to day business of serving the people of our region. Mr. Paul Daigle was hired to facilitate the development of our strategic plan and out of 15 CEDA's, 12 of them already established, Enterprise Central under the guidance of Paul Daigle will be the second to roll out its strategic plan.

I would like to thank our Partners, Mr. Wayne Gunter of ACOA, Mr. Rick Allain of BNB, Mr. Peter McLean of TED, and Lois Williams of HRDC for their dedication and strong input into our organization through the Strategic Plan.

Enterprise Central NB promises to be a strong and dynamic organization. A review of the businesses already established for Enterprise Central NB is very impressive with forestry companies like St Anne-Nackawic, Grand Lake Timber, and Marwood Ltd.; Tourism destinations like Kingswood, Kings Landing, and the village of Gagetown just to mention a few. We have the motion picture industry, engineers, architects, and the list goes on.

The Board and I are pleased with our selection of John Flynn as our Executive Director and look forward to the positive economic growth of our region through the hard work of John and his able staff.

I want to thank you very much for making the effort to be with us on this evening to celebrate EC's first year and know that with your involvement we will experience Tomorrows Success.

Craig Melanson, President

2.0 Executive Director's Report

Enterprise Central NB is one of 15 Community Economic Development Agencies created across the province to replace the old "Regional Economic Development Commissions". Enterprise Central is the largest by territory of all the CEDA's covering 3 counties and 11 municipalities. We are the largest by population of the 12 rural agencies. As well, we are the only completely new CEDA in the province. Our mandate is to foster community led Economic Development. We have been entrusted to be the lead agency in a regional integrated approach to economic and human resource development by all three levels of government.

The year ending March 31st was an exciting and eventful year for Enterprise Central NB. It was also a very short year. Thus, the progress report enclosed in the annual report reflects activity for only the last 3 months of the fiscal year. On January 6th we opened our office in Island View and became fully operational. Since January we have opened over 60 files on new and existing businesses in our region, which compares very favorably to the 50 files handled during the first 9 months by our predecessor. The volume is even more impressive coming in the mist of staff training and Strategic Planning activities.

Our Board of Directors worked hard to lay the foundation for Enterprise Central and in November, I was hired by the Board to manage the operations on a day-to-day basis. Our first order of business was to hire staff, get an office up and running and to engage the Board, our partners and the business community in a Strategic Planning process to focus our activity over the next 3-4 years. We were able to secure the services of Paul Daigle to facilitate our strategic planning process. Paul is a recognized Professional Economic Developer, a former Deputy Minister of Tourism, Former General Manager of the Moncton Economic Development Commission and former president of the Atlantic Provinces Chamber of Commerce, to name a few. In fact, Paul was named Canadian Economic Developer of the year in 1991.

The Strategic Plan is a result-orientated blueprint for our region. It will focus the proactive efforts of Enterprise Central and our Partners on those activities that produce the desirable results for our region.

Staff Training has, and will continue to be an ongoing priority as we strive to ensure our staff are fully qualified to deliver our many programs and services. I thank our government partners for their ongoing workshops and staff training provided.

Our Staff of Noreen Sharpe, Danny Cyr and Bonnie Beaunoyer are there to serve our clients and I want to recognize and thank them for their hard work, dedication and commitment.

Our funding Partners ACOA, TED, BNB and our member Municipalities, we thank you for your support and commitment to our region.

In closing I want to thank our Board of Directors, a dedicated group from all sectors and areas of our large region, who have volunteered their time and talents. Their collective wisdom and support will ensure our success as we strive with our partners to assist our small businesses to create jobs, wealth and an increased tax base in all our communities.

John Flynn
Executive Director

3.0 BOARD OF DIRECTORS

Board of Directors (Fiscal year ended March 31, 2003)

Name/ Business	County	Term	Appointed By
Bob **Connors** North York Industries 637 OtisDrive Nackawic, NB E6G 1H6	York	1 Yr.	Federal
Donald **Doherty** McAdam Home &Building Centre 8 Highland Avenue McAdam, NB E6J 1H6	York	2 Yr.	Municipal
Murray **Doherty** Doherty's General Ins. 14 Queen Street Chipman, NB E4A 2J5	Queen's	2 Yr.	Municipal
Donald **Duplisea** Canadian Armed Forces 158 Sunbury Drive Fredericton Junction, NB E5L 1R4	Sunbury	3 Yr.	Municipal
Winston **Gamblin** W.W. Smith's 1948 Route 3 Harvey Station, NB E6K 3V3	York	3 Yr.	Federal
Brian **Glenn** E.B. Glenn's Insurance 122 Main St. Unit #1 Minto, NB E4B 3M2	Queen's	1 Yr.	Provincial
Maurice **Harquail** Step-Aside Inn 58 Front Street Village of Gagetown Gagetown, NB E5M 1A1	Queen's	2 Yr.	Federal
Jason **Herron** Forester 409 Route 4 Harvey, York Co. NB E6K 1X3	York	1 Yr.	Provincial

3.0 BOARD OF DIRECTORS

Board of Directors (Fiscal year ended March 31, 2003)

Name/ Business	County	Term	Appointed By
Raylene **Johnstone** Johnstone's Pharmacy 58 Main Street Stanley, NB E6B 1A4	York	2 Yr.	Provincial
Mike **O'Donnell** Marwood Ltd. 138 Gore Road Fredericton Junction, NB E5L 1T8	Sunbury	1 Yr.	Federal
Craig **Melanson** Retired,St.Anne-Nackawic 10 Todd Street Nackawic, NB E6G 1B8	York	3 Yr.	Provincial
Byron **Philips** Byron Philips & Sons Ltd. 4341 Heritage Drive Tracy, NB E5L 1B4	York	3 Yr.	Municipal

4.0 WORK PLAN PROGRESS REPORT

2002 / 2003
Integrated
Work Plan

Enterprise Central NB

Community Economic Development Agency
PROGRESS REPORT
March 31,2003

Enterprise Central NB 2002/2003 Integrated Work Plan Progress Report

Strategic Element	Planned Action	Lead Agency	Partners	Action Taken Results
Workforce Development	1. Profiling ❖ Assessment of available skills ❖ Assessment of employer demand ❖ Skills Link, filling demand	TED	Enterprise Central NB BNB	1. Workforce Development Officer Hired 2. Survey of Business in Grand Lake Region underway 3. Partnership with Community Collage and TED developed to meet local needs
	2. Skills Training ❖ Entrepreneurship (business skills) ❖ Trade / Export ❖ Human Resources Training ❖ Industry Specific Training	Enterprise Central NB SWVDC	ACOA TED BNB	4. Ongoing evaluation of needs Individual sessions held with entrepreneurs to assist: ❖ With start-ups ❖ Companies moving to export
	3. Facilitate training of New Brunswickers to fill skills gaps	TED	Enterprise Central NB	5. Ongoing project in Chipman to meet needs of Local Industry. Proposal for Community Collage Course being evaluated
	4. Recruitment and Retention ❖ Work with employers to meet staffing needs	Enterprise Central NB	ACOA TED BNB	6. Ongoing Assistance being provided to SME's
	5. Repatriation ❖ Develop strategy for industry specific repatriation	Enterprise Central NB	TED ACOA BNB	7. Support for and Promotion of Provincial Imitative
	6. Immigration ❖ Develop strategy for sector specific Immigration	Enterprise Central NB	BNB I&E TED ACOA HRDC	8. No Action taken to date

Enterprise Central NB 2002/2003 Integrated Work Plan Progress Report

Strategic Element	Planned Action	Lead Agency	Partners	Expected Outcome
Business Development	1. Business Cluster Development ❖ Host Business Cluster Awareness Training Sessions	BNB	Enterprise Central NB ACOA	1. Staff Training and briefing provided by ACOA and BNB Sector Task Forces identifying opportunities
	2. Business Retention & Expansion ❖ BR&E training for EDOs	Enterprise Central NB	ACOA BNB Municipalities TED	2. One Staff Member completed BR&E Training
	3. Business Counseling ❖ Proactive sector specific client visits ❖ Services to SMEs and Start-ups	Enterprise Central NB	BNB ACOA	3. Ongoing Assistance being provided ❖ 68 new client files opened in quarter vs. 50 in 1st 3 quarters previous fiscal year.
	4. Entrepreneurship ❖ SEED and CYBF Programs ❖ Mentorship Program ❖ Recognition ❖ Awareness Promotion ❖ Junior Achievement ❖ Open for Business Program	Enterprise Central NB	ACOA CYBF Enterprise UNB NRC TED	4. Strong Entrepreneurship support system in-place, which the community is aware of. No action to date
	5. Strategic Planning ❖ Strategic Planning training for EDOs ❖ Develop three-year strategic plan ❖ Sector Development ❖ Community Strategic Planning Process	Enterprise Central NB	ACOA BNB Municipalities	5. Strategic planning Process underway, Board workshop held Advisory Forum Workshop held Sector Task Forces organized with weekly meetings being held.
	6. Export Trade ❖ Assist one non-exporting company to engage in export	Enterprise Central NB	ACOA BNB – Trade	6. Ongoing Program promoting exporting to non-exporting companies. Briefings on programs and assistance provided to staff by ACOA and BNB
	7. Access to Capital ❖ Co-host two Investor Forums ❖ Co-conduct three Rubber-Rooms	Enterprise Central NB SWVDC	ACOA Industry Canada Enterprise UNB Enterprise Fredericton	7. SWVDC are involved in an ongoing imitative

Strategic Element	Planned Action	Lead Agency	Partners	Expected Outcome
Business Development (Continued)	8. Innovation (co-host) ❖ Lean Manufacturing Session ❖ Patent Office Seminar ❖ RFP Response training session ❖ Co-host a Technologies in SMEs and Traditional Businesses session ❖ Coordinate site visits with Sector Specialists	Enterprise Central NB	ACOA BNB Enterprise UNB NRC Enterprise Fredericton	❖ Site Visits made by staff results will be forthcoming in new fiscal year. ❖ Staff training provided by ACOA

Enterprise Central NB 2002/2003 Integrated Work Plan Progress Report

Strategic Element	Planned Action	Lead Agency	Partners	Expected Outcome
Investment	1. Promotion Materials ❖ Web Site ❖ Hard-copy materials ❖ Outreach	Enterprise Central NB	BNB ACOA Municipalities	1. Office Opened with full complement of staff hired 2. Web site being developed
	2. Strategic Initiatives ❖	Enterprise Central NB	BNB – I&E BNB – Trade Municipalities	3. Ongoing development Community promotion materials and activities
	3. Support ❖ Commercial Real Estate Database ❖ Resume Collection and Screening ❖ Client Site Visit Sessions ❖ Same Day inquiry Response ❖ Hands-on Community Integration	Enterprise Central NB	BNB – I&E Municipalities Fredericton Chamber Enterprise Fredericton	4. Commercial Data base being developed 5. Ongoing support

Enterprise Central NB 2002/2003 Integrated Work Plan Progress Report

Strategic Element	Planned Action	Lead Agency	Partners	Expected Outcome
Strategic Partnerships	1. Communities ❖ Monthly Communication Sessions	Enterprise Central NB	Municipalities BNB ACOA	1. Quietly meetings being held with partners to review work plan as well as meeting as part of Strategic Planning Process
	2. Funding Partners ❖ Quarterly Update Sessions ❖ Achievement of Strategic Initiatives	Enterprise Central NB	Municipalities BNB TED	2. Meetings have been held with all municipal government representatives and provincial elected officials.
	3. Sector Taskforces ❖ Board Initiatives ❖	Enterprise Central NB	BNB ACOA Enterprise UNB NRC TED	3. Task forces are ongoing in 4 sectors Manufacturing, Tourism, Agriculture and Forestry. Specific Action plans will be developed and action taken in new Fiscal Year

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Central NB Community Economic Development Agency Inc.
Financial Statements
March 31, 2003

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Chartered Accountants
Management Consultants

Auditors' Report

To the Shareholder of
Central NB Community Economic Development Agency Inc.

We have audited the statement of financial position of **Central NB Community Economic Development Agency Inc.** at March 31, 2003 and the statements of operations, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2003 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Grant Thornton LLP

Fredericton, New Brunswick
May 14, 2003

Grant Thornton LLP
Chartered Accountants

570 Queen Street
P.O. Box 1054
Fredericton, NB
E3B 5C2
T (506) 458-8200
F (506) 453-7029
E Fredericton@GrantThornton.ca
W www.GrantThornton.ca

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Central NB Community Economic Development Agency Inc.
Statements of Operations and Changes in Net Assets
Year Ended March 31, 2003

Revenue	
Federal/Provincial Coop Agreement (Note 8)	$179,296
Project funding - Employment	11,857
- Strategic Plan	29,917
Municipal Partners (Note 9)	9,082
Other income	787
	230,939
Expenses	
Advertising	10,952
Bank charges	376
Depreciation	6,983
Equipment leasing	699
Equipment maintenance	6,132
Insurance	782
Legal and accounting	4,560
Meetings	3,860
Office	16,639
Rent	3,795
Telephone	4,739
Travel - staff	8,838
- Board	6,375
Wages and benefits	82,172
Strategic Plan	29,917
	186,819
Excess of revenue over expenditures	$ 44,120
Net assets, beginning of year	$ -
Excess of revenue over expenditures	44,120
Net assets, end of year	$ 44,120

See accompanying notes to the financial statements.

Central NB Community Economic Development Agency Inc.
Balance Sheet
March 31, 2003

Assets	
Current	
Cash	$ 6,878
Receivables (Note 3)	71,597
Prepaid expenses	4,771
	83,246
Equipment and leasehold improvements (Note 4)	53,622
	$136,868
Liabilities	
Current	
Payables and accruals	$ 23,187
Deferred revenue contributions	16,544
	39,731
Deferred capital contributions (Note 5)	53,017
	92,748
Net assets (Note 6)	44,120
	$136,868

Commitments (Note 10)

ON BEHALF OF THE BOARD

Director

Director

See accompanying notes to the financial statements.

Central NB Community Economic Development Agency Inc.
Statement of Changes in Financial Position
Year Ended March 31, 2003

Increase (decrease) in cash and cash equivalents	
Operating	
Excess of revenue over expenditure	$ 44,120
Depreciation	6,983
Amortization of deferred capital contributions	(6,983)
	44,120
Changes in	
Receivables	(71,597)
Prepaid expenses	(4,771)
Payables and accruals	39,731
	7,483
Investing	
Purchase of equipment and leasehold improvements	(60,605)
Financing	
Deferred contributions received relating to capital assets	60,000
Net increase in cash and cash equivalents	6,878
Cash and cash equivalents	
Beginning of year	-
End of year	$ 6,878

See accompanying notes to the financial statements.

Central NB Community Economic Development Agency Inc.
Notes to the Financial Statements
March 31, 2003

1. Purpose of the Corporation

The corporation was formed on September 27, 2002 without share capital under the Companies Act of the Province of New Brunswick as a charitable, non-profitable organization devoted to economic development in and beneficial to the Central New Brunswick Area and all of its members.

These financial statements include revenues and expenses for the period April 1, 2002 to September 26, 2002, prior to incorporation on September 27, 2002.

2. Summary of significant accounting policies

Use of estimates

Under Canadian Generally Accepted Accounting Principles management is required to make estimates and assumptions to prepare financial statements. These estimates are based on management's best knowledge of current events and actions that the corporation may undertake in the future. These estimates and assumptions may affect the amount of assets and liabilities presented as at the reporting date and the reported amount of revenue and expenses during the fiscal year. Actual results may be different from the estimates and assumptions used.

Revenue and expenditures

Revenue and expenditures are recorded according to the accrual basis of accounting.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks and short term deposits with original maturities of three months or less. Bank borrowings are considered to be financing activities.

Capital Assets and Amortization

Additions to capital assets are recorded at cost. Amortization is recorded annually at rates calculated to write-off the assets over their estimated useful lives as follows:

Leasehold improvements	Straight line over term of lease
Computer	30% declining balance
Furniture and equipment	20% declining balance

3. Receivables

Atlantic Canada Opportunities Agency	**$ 53,121**
HRDC - Training Employment Development	**10,622**
HST	**7,076**
Other	**778**
	$ 71,597

Central NB Community Economic Development Agency Inc.
Notes to the Financial Statements
March 31, 2003

4. Equipment and leasehold improvements

	Rate	Cost	Accumulated Depreciation	2002 Net Book Value
Computers	30%	$ 27,866	$ 3,832	$ 24,034
Office equipment and furniture	20%	25,015	2,293	22,722
Leasehold improvements		7,724	858	6,866
		$ 60,605	$ 6,983	$ 53,622

5. Deferred capital contributions

Balance, beginning of year	$ -
Contributions received	60,000
Amortization	(6,983)
Balance, end of year	$ 53,017

6. Net assets

Net assets invested in capital assets	$ 605
Unrestricted net assets	44,273
	$ 44,878

7. Financial instruments

The corporation's financial instruments consist of cash and accounts receivable or payable. Unless otherwise noted, it is management's opinion that the corporation is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

8. Operating Grant Revenue

Atlantic Canada Opportunities Agency	$149,741
Business New Brunswick	82,572
Less	
Deferred capital contributions	(60,000)
Add:	
Amortization of deferred capital contributions	6,983
	$179,296

9. Municipal partners

Chipman	$ 1,495
Fredericton Junction	597
Gagetown	543
Harvey	340
McAdam	1,407
Minto	2,716
Nackawic	1,095
Stanley	382
Tracy	507
	$ 9,082

10. Commitments

The corporation is committed to a rental agreement for office space till March 31, 2005. Rental expense is expected to be as follows:

2004	$12,900
2005	$12,900